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# Innovationsm

## Community & Rural Development

### Small-Scale Food Processing Project: Adding Value for Sustainability

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#### Summary

New York has several thousand home-based and farm-based processors and other microenterprise food manufacturers with 20 or fewer employees. While this is the largest (and the only growing) segment of the food manufacturing industry both in the state and in the Northeast, little attention has been paid to it until recently. Growing concerns about food safety (e.g., harmful e-coli in unpasteurized apple cider) and appropriate food safety regulation have drawn regulators' and policymakers' attention to this segment of the industry. For different reasons, the economic and rural development community has also become interested in small-scale food processing for its potential as a welfare-to-work strategy and as a means for farmers to capture a greater share of consumers' food dollars (which has declined from 46% in 1913 to about 21% today).

The Cornell Farming Alternatives Project (FAR) and the New York Sustainable Agriculture Working Group (NYSAWG) took the lead in this three-year project, whose goal was to build the capacity of this large but disparate group of processors to address simultaneously their challenges and opportunities. NYSAWG is a state-wide consortium of farm, environmental, consumer, labor, farmworker, religious, and anti-poverty organizations, all of which share a deep concern about the sustainability of agriculture and other parts of the food system. Following the general principles of participatory action research (PAR) this project brought together the practical expertise of people from the grassroots with the technical expertise of people at Cornell University and the New York State Department of Agriculture and Markets.

The project surveyed small-scale food processors including farmers, conducted several educational programs, including a conference to bring small-scale processors together from around the state and region for the first time ever, and fostered a new state-wide food processors' association. The outcomes have exceeded expectations: we had surprising results in

the research, standing room only at our educational programs, strong support to get the association up and running, and growing national recognition.

#### Background & History

In the context of a globalizing food system, increasing on-farm economic efficiency is insufficient to maintain farms and rural communities in the Northeast, a conclusion the NYSAWG marketing committee reached in 1994. It thus identified as a problem the lack of appropriate markets for safe, healthful, locally produced foods that both use environmentally sustainable production practices and sustain economically the people who produce them. Because of low per-unit profit, producing ordinary raw agricultural products for regular markets can be economically sustainable only for large farms and part-time farms. Also, the tendency for large processors to buy from large farms does not bode well for the economic sustainability of smaller farms and the rural communities they support. At the same time, mass-marketed products often do not meet consumer needs, as was shown by thriving producers of specialty products. This led the committee to seek the food processing expertise of the NYS Food Venture Center and the marketing expertise of the New York State Department of Agriculture and Markets' Direct Marketing Division.

Community-based leadership with experts on tap  
This applied research project explicitly fostered decentralization and independence. It involved both research and the practical experience and needs of processors. Processors, community groups, and Cornell Cooperative Extension field staff provided strong leadership throughout. For example, the project advisory committee worked with the project team to develop the social scientific survey of small-scale processors and the results of the survey shaped the content of the conference and workshops. Experts in business, food processing and marketing have served as resource people rather than as speakers. Educational programs have been participant driven, with processors leading the workshops.